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Food Stamp Regulations Announced

THE U.S. DEPARTMENT OF AGRICULTURE announced on July 22, 1971, the revised regulations for the Food Stamp Program which:

- Establish uniform national income and resource eligibility standards.
- Set new definition of households.
- Increase allotment of food stamps for recipients.
- Provide free food stamps for the very poor.
- Require work registration as a condition of eligibility.
- Provide for "meals on wheels" for the elderly or disabled.
- Redefine income and resources.

The revised regulations implement mandates contained in Public Law 91-671, which amended the Food Stamp Act of 1964. They are expected to be published in the Federal Register on Wednesday, July 28, 1971.

The regulations were published in proposed form on April 16 with an invitation for public comment and suggestions.

"The response from over 780 individuals and organizations with some 3,600 comments was most helpful to us,"

Assistant Secretary of Agriculture Richard Lyng said. "We have, as the result of these comments, been able to make many improvements in the final regulations." At the same time, he noted that it was not possible for the Department to act on many suggestions, some that would have altered basic requirements of the law.

The Assistant Secretary cited the following as the principal changes stemming largely from comments and suggestions on the proposals:

- Households in which all members are receiving public assistance and are related are eligible for food stamps without regard to the income and resources eligibility standards applied to all other households.
- Tuition and mandatory school fees may be deducted in calculating net income for food stamp eligibility and purchase levels.
- Ten percent of the pay of employed members of the household, or of amounts received as training allowance, is not to be considered as income to

the household, up to a maximum of \$30 per month per household.

HIGHLIGHTS OF THE NEW REGULATIONS follow:

- Eliminated were the credits provisions, under which improperly denied benefits subsequently gained at a hearing would have been retroactively credited at State expense toward food stamp purchase requirements. The overwhelming majority of comments received were opposed to the provisions as impossible to administer and requiring special State legislation to implement.

- Implementation of the regulations by the States has been extended and made more flexible. States are to submit a new "plan of operation" to the Food and Nutrition Service within 60 days of the publication date in the Federal Register.

Within 30 days after approval of the State plan by FNS, the coupon allotment and purchase requirements for food stamps and household eligibility standards are to be used for all new applications and household recertifications.

Other provisions of the regulations are to be implemented within 90 days of the approval date. Recertification of the entire caseload in all States must be completed by May 1, 1972.

- Added language makes it clear that strikers must meet the work registration provisions in order to get food stamps.

- In outreach activities by the States, emphasis has been put upon provision of bilingual materials.

- Other than for Alaska and Hawaii, no changes were made in the amounts recipients pay and the total allotment of food stamps they get, from the proposed tables published April 16.

NATIONAL ELIGIBILITY STANDARDS: Eligibility for the Food Stamp Program will be determined according to uniform national income and resources standards set by the Secretary of Agriculture. Standards for Alaska and Hawaii are adjusted in accordance with the separate poverty guidelines and other factors peculiar to those States.

Monthly maximum income eligibility levels per household are:

<u>Persons</u>	<u>48 States and D.C.</u>	<u>Alaska</u>	<u>Hawaii</u>
1	\$170	\$208	\$193
2	222	272	254
3	293	400	373
4	360	480	467
5	427	573	560
6	493	667	640
7	547	733	707
8	600	800	773

For each additional person, add \$53 in the 48 States and D.C., \$67 in Alaska, and \$67 in Hawaii.

The standards apply to all households, except those in which all members are receiving public assistance.

INCOME to be measured in determining household eligibility and in arriving at the amount the household is to pay (purchase requirement) for its food stamp allotment is, in general, any cash or payments to members of the household from any source, including all types of public assistance, scholarships and educational grants.

However, 10 percent of income from earned wages or from a training allowance up to a maximum of \$30 per month per household, is to be deducted to cover such items as transportation and

other expenses necessary to securing the income.

Not counted as income to the household are such items as earnings of a child under 18 who is still in school, benefits which do not involve a cash transaction (e.g. the free use of living quarters), certain non-recurring lump-sum payments such as insurance settlements, inheritances, income tax refunds, and all loans except educational ones on which repayment is not due until completion of the recipient's education.

OTHER ALLOWANCES: Mandatory deductions from earnings in amounts which are not elective by the recipients, such as income tax, Social Security tax, and required union dues, are considered as a "household expense" in arriving at the household income figure.

The regulations also permit deductions for educational expenses, shelter costs that exceed 30 percent of income, medical payments in excess of \$10 per month for the household, child care costs necessary for a household member to accept or continue employment, and unusual expenses resulting from disaster or casualty losses.

RESOURCES such as savings accounts, negotiable securities and certain property, are limited to \$1500 per household, plus an additional \$1500 for households of two or more containing at least one person 60 years of age or over.

Not counted as resources are the value of such items as a home, household goods, car, personal effects, cash value of life insurance policies, income-producing property, and tools and machinery essential to employment or self-support. However, resources do include such nonliquid assets as non-income-producing buildings, land,

or other real or personal property, at fair market value.

HOUSEHOLD DEFINITION: All members of a household under 60 years of age must be related by blood, affinity, or through a legal relationship sanctioned by State law, for the household to be eligible for food stamps. A man and woman, living as man and wife, if accepted as married by the community in which they live, are defined by the regulations as related.

Foster, adopted and other children under age 18 years old for whom an adult member has assumed a parental role are also considered related members of a food stamp household. An unrelated roomer or boarder is not considered part of the household, and will not disqualify the household from the Food Stamp Program.

TAX DEPENDENTS: No household can be eligible if it has a member over 18 years old who is claimed as a dependent for Federal income tax purposes by a parent or guardian in another household which itself is not eligible for either food stamps or USDA donated foods.

WORK REGISTRATION: The law sets work registration as an eligibility requirement for food stamps, for any able-bodied household member between ages 18 and 65, unless that member is (1) responsible for the care of dependent children under 18 or of incapacitated adults, (2) a student enrolled at least half time in any school or training program recognized by any Federal, State or local government agency, (3) working at least 30 hours per week. The work registration form is to be forwarded by the food stamp certification office to the State or Federal employment office for the area. For the household to be eligible for stamps, the registered member or members of the household must cooperate

(continued on page 5)

THE FOOD STAMP PROGRAM -- Monthly Coupon Allotments and Purchase Requirements

48 States and D.C.	For a Household of:							
	1	2	3	4	5	6	7	8
	The Monthly Coupon Allotment is:							
	\$ 32	\$ 60	\$ 88	\$ 108	\$ 128	\$ 148	\$ 164	\$ 180
Monthly Net Income	And the Monthly Purchase Requirement is:							
\$ 0 - 19.99	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
20 - 29.99	1	1	0	0	0	0	0	0
30 - 39.99	4	4	4	4	5	5	5	5
40 - 49.99	6	7	7	7	8	8	8	8
50 - 59.00	8	10	10	10	11	11	12	12
60 - 69.00	10	12	13	13	14	14	15	16
70 - 79.00	12	15	16	16	17	17	18	19
80 - 89.00	14	18	19	19	20	21	21	22
90 - 99.99	16	21	21	22	23	24	25	26
100 - 109.99	18	23	24	25	26	27	28	29
110 - 119.99	20	26	27	28	29	31	32	33
120 - 129.99	22	29	30	31	33	34	35	36
130 - 139.99	24	31	33	34	36	37	38	39
140 - 149.99	25	34	36	37	39	40	41	42
150 - 169.99	26	36	40	41	42	43	44	45
170 - 189.99	26	42	46	47	48	49	50	51
190 - 209.99		48	52	53	54	55	56	57
210 - 229.99		54	58	59	60	61	62	63
230 - 249.99			64	65	66	67	68	69
250 - 269.99			70	71	72	73	74	75
270 - 289.99			76	77	78	79	80	81
290 - 309.99			79	83	84	85	86	87
310 - 329.99				89	90	91	92	93
330 - 359.99				95	96	97	98	99
360 - 389.99				99	105	106	107	108
390 - 419.99					114	115	116	117
420 - 449.99					119	124	125	126
450 - 479.99						133	134	135
480 - 509.99						139	143	144
510 - 539.99							152	153
540 - 569.99							155	162
570 - 599.99								171
600 and up								171

in seeking, and accept employment of a type and in a location reasonably consistent with physical and mental fitness, with consideration of transportation costs and commuting time, and at wages, including piece-rate basis, that are the highest of applicable Federal and State minimums or other authorized Federal regulations, but in no case less than \$1.30 per hour. The registrant cannot be required to join, resign from, or refrain from joining any recognized labor organization as a condition of employment, nor accept work offered at a site which is undergoing a strike or lockout.

FOOD STAMP ALLOTMENT: Allotments of food stamps are geared to cost of USDA's economy diet, with the amount of money paid by households not to exceed 30 percent of income. Stamps will be issued free to one and two-person households with incomes under \$20 per month, and all other households with incomes under \$30.

Under the new law, public assistance households may elect to have payment for their full allotment of food stamps deducted regularly from money they get under any federally aided assistance program. All households may elect at time of issuance to receive all, three-quarters, one-half, or one-quarter of their monthly food stamp allotment, with their payment adjusted accordingly.

Examples of monthly allotments and amounts to be paid by recipients in the 48 contiguous States and District of Columbia are shown in the following chart. (Because food costs are determined to be significantly higher in Alaska and Hawaii, food stamp allotments are greater than those of other States shown. Separate issuance tables for Alaska and Hawaii will be published in the Federal Register with the regulations.)

For a Household of:

1 2 4 6

Food Stamp Allotment:

\$32 \$60 \$108 \$148

PURCHASE REQUIREMENT

Net Income:

\$ 0- 19.99	Free	Free	Free	Free
20- 29.99	1	1	Free	Free

100-109.99	18	23	25	27

150-169.99	26	36	41	43

190-209.99		48	53	55
210-229.99		54	59	61

250-269.99			71	73

290-309.99			83	85

330-359.99			95	97
360-389.99			99	106

450-479.99				133
480-509.99				139

MEAL SERVICE: Elderly participants who are disabled or feeble so that they cannot adequately prepare all of their own meals, may use food stamps to pay for meals delivered to them by a non-profit meal delivery service, if available. Such delivery services will be authorized to redeem stamps by USDA's Food and Nutrition Service similarly to retailers and wholesalers.

DUAL FOOD ASSISTANCE: When a Food Stamp Program opens in a county or city that has been distributing USDA donated foods, both programs will be permitted at the State's request for a transition period up to three months. Both programs may be operated permanently

U.S. DEPARTMENT OF AGRICULTURE

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provided that funds are available and the national eligibility standards are used for both programs, together with controls to prevent double participation by the same household. "Operating expense funds" which are available to the States from USDA for family food donations cannot be used for such permanent dual operations, however. Temporary emergency distribution of donated foods may be made in food stamp areas when FNS determines that commercial food distribution channels have been disrupted.

THE NEW REGULATIONS also:

- Contain provisions aimed at eliminating abuses of the program. Mandatory "quality control" plans are to be part of each State's Food Stamp Plan of Operation. Misuse of "authorization to purchase" cards (the document households get when certified for participation, commonly termed ATP cards) is subject to the same penalties as unauthorized issuance and use of the food stamp coupons themselves.

- Spell out fair hearing procedures under which any participant aggrieved by an action of the State agency or its local counterpart affecting participation can ask for a fair hearing. Each household is to be informed of its right to a hearing at the time of application. Reasonable time to enter a request for a hearing, reasonable advance notice of the date of the

hearing, the right to examine documents and confront witnesses, and prompt decisions are required.

- Provide that public assistance households electing to have their payments for food stamps deducted from their welfare check may return properly issued food stamps to the State agency for a refund of the purchase requirement.

- Permit transfer of eligibility of certified households -- except those certified under disaster or emergency provisions -- for 60 days following a move from one food stamp area to another, provided the household circumstances remain the same.

- Require States to develop an "out-reach" program within 180 days of publication of the regulations, to be approved by FNS and to become part of the State Food Stamp Plan of Operation.

- Add the stipulation that authorized food retailers and nonprofit meal delivery services must not knowingly enter into any food stamp transaction in which the main purpose of the customer is to obtain cash change. Otherwise, rules and procedures for accepting and redeeming food stamp coupons on the part of retailers, wholesalers, and banks are unchanged, as are the provisions covering disqualification proceedings against authorized firms. □

